

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION IX 75 Hawthorne Street San Francisco, CA 94105

Via U.S. Postal Service and Electronic Mail Certified Mail Receipt No. 7000 0520 0021 6107 8353

July 14, 2009

AIG Retirement Services, Inc.
In care of DST Realty Advisors
Douglas Tymis
Agent for AIG Retirement Services, Inc.
6730 North Scottsdale Road
Suite 250
Scottsdale, Arizona 85253

Re: "PCB Site Characterization Report Trench and Retention Basin Areas Washington Park Corporate Center Lot 3, Trillium Residential 4400 Block East Washington St. Phoenix, Arizona Job No. 2188JF154" – Self Implementing PCB Cleanup Under 40 CFR 761.61(a)

Dear Mr. Tymis:

Thank you for submitting the "PCB Site Characterization Report Trench and Retention Basin Areas Washington Park Corporate Center Lot 3, Trillium Residential 4400 Block East Washington St. Phoenix, Arizona Job No. 2188JF154" (Final Report) dated March 25, 2009 and prepared by Western Technologies Inc. (WTI) for AIG, Inc. (AIG). The characterization and cleanup of polychlorinated biphenyls in Lot 3 was conducted under the Toxic Substances Control Act requirements in 40 CFR 761.61(a) (self-implementing cleanup).

The purpose of this letter is to provide clarification regarding the cap for the Trench Area (including an area between the Trench Area and proposed southeast basin) and deed notice required for the property. In addition this letter requests a schedule for cap construction, preparation of the deed notice for the cap, and cap maintenance plan. The PCB cleanup in Lot 3 is not considered complete until the cap is completed and a cap maintenance / repair plan is submitted. The PCB cleanup in Lot 3 will be considered complete upon receipt of a letter report documenting completion of cap construction.

The Final Report provides data summaries documenting the following findings and results of soil characterization in the Trench Area (Trench):

- a) Based on data collected by WTI, soils investigated for PCB contamination within the areas of future retention basins in Lot 3 are not impacted by PCBs.
- b) The results of additional soil characterization for PCBs conducted within the Trench after soil cleanup and cleanup verification sampling had been conducted in 2008 confirmed that PCBs remain in the Trench at concentrations greater than the 1 mg/Kg (1 ppm) PCB-cleanup level for high occupancy. However, the PCB concentrations are lower than 10 ppm.

USEPA Clarifications on Cap and Deed Notice Washington Park Lot 3 TSCA PCB Cleanup July 14, 2009

c) The finding during additional characterization of the Trench of PCB-contaminated soils in an area (between the Trench and the proposed southeast basin) that is adjacent to and west of the Trench. Soils in this area (B-14 and B-15) are contaminated with PCBs at concentrations greater than 1 ppm and lower than 10 ppm.

WTI proposes to install one cap to cover PCB-contaminated soils within the Trench in addition to soils outside and west of the Trench. Within the Trench, PCBs remain at 2.9 (B-11), 1.6 (B-11), 1.2 (T6-15), 4.1 (T7-15), and 6.8 mg/Kg (T8-15); and west of the Trench, PCBs remain at 1.4 (B-14) and 1.3 mg/Kg (B-15). WTI also proposes to prepare and record a deed notice for Lot 3. Clarifications on these items follow.

Clarifications on Capping of PCB-Contaminated Soils in Lot 3

The Final Report states under "Recommendations" (page 8 of the report) that "[c]onsistent with our first PCB remediation notice, the proposed capping system will involve three stages. . ."

However, the cap should be constructed in accordance with the conditions of approval in the enclosed USEPA September 22, 2008 letter approving WTIs First and Second Notification Amendments. In this letter, USEPA approved a PCB cleanup level for Lot 3 (residential land use) equal to 1 mg/Kg (ppm) and lower than or equal to 10 ppm (40 CFR 761.61(a)(4)(i)(A), 761.61(a)(7), and 761.61(a)(8)) provided the owner meets the conditions of approval to USEPA's satisfaction. Specifically to the cap and deed notice, the owner of the property must meet Approval Conditions 5 through 8 to USEPA's satisfaction. Please also note the cap has to be maintained in perpetuity.

Clarifications on Deed Notice for Lot 3

As indicated in our September 22, 2008 letter, the deed notice must meet the requirements in 40 CFR 761.61(a)(8) in addition to the September 22, 2008 conditions of approval.

Schedule for Construction of Cap and Preparation and Recordation of Deed Notice
Please submit a schedule indicating time frames to complete cap construction and related
maintenance / repair plan, prepare and submit for USEPA review a deed notice for the cap, and
record the notice.

Finally, USEPA's September 22, 2008 approval is for characterization and cleanup of PCBs. USEPA's approval does not involve other contaminants and soil vapor investigations in Lot 3 which we believe are now being addressed through the Arizona Department of Environmental Quality.

¹ PCBs remain in soils at 19 feet below ground surface within the Trench Area in sampling grids T6-15, T7-15, and T8-15 at 1.2, 4.1, and 6.8 mg/Kg, respectively. PCBs remain within the Trench Area at 2.9 mg/Kg (B-11, 25 feet below existing surface grade [ft. begs]) and 1.6 mg/Kg (B-11, 31 to 31.5 ft begs]). PCBs remain in soils in an area outside of and west of the Trench Area at 1.4 mg/Kg (B-14, 26 to 26.5 ft begs), and 1.3 mg/Kg (B-15, 36 to 36.5 ft besg).

USEPA Clarifications on Cap and Deed Notice Washington Park Lot 3 TSCA PCB Cleanup July 14, 2009

We appreciate WTI submitting the Final Report on AIG's behalf and look forward to continue working with WTI on the Washington Corporate Center project. Please call Carmen Santos of my staff at 415.972.3360 with any questions regarding this letter and the requested schedule. Thank you.

Sincerely

Arlene Kabei

Waste Management Division

Enclosure

Cc: David Regonini, Western Technologies, Inc. Andy Leverock, ADEQ Steve Armann, USEPA R9 Carmen Santos, USEPA R9